

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.2015 Persons Who Repair or Otherwise Service Tangible Personal Property

**TITLE 86: REVENUE
PART 130
RETAILERS' OCCUPATION TAX**

Section 130.2015 Persons Who Repair or Otherwise Service Tangible Personal Property

- a) Persons Who Service or Repair Tangible Personal Property -- When Liable for Retailers' Occupation Tax
 - 1) When persons who service or repair tangible personal property sell tangible personal property to purchasers for use or consumption apart from their rendering of service, they incur Retailers' Occupation Tax liability. This is the case, for example:
 - A) Where a repairman sells repair parts "over-the-counter" to a purchaser for use or consumption without any obligation on the part of the repairman to install such parts for the purchaser;
 - B) where a repairman repairs, rebuilds or reconditions property which belongs to himself and then sells such property to a purchaser for use or consumption apart from his rendering of service as a repairman;
 - C) where a repairman sells accessories (with or without installation), to purchasers for use or consumption;
 - D) where a repairman or other person engaged in a service occupation sells, "over-the-counter", to purchasers for use or consumption, apart from the rendering of service, such items as lubricants, grease, paint, wax, polish, lacquer, solder, materials for patching or repairing tires, and other tangible personal property; and
 - E) where a repairman manufactures and sells retread tires, whether or not the tire casing is provided by the purchaser. (But, see subsection (d) (2) of this Section regarding the patching of tires. Also see Section 130.330 (d)(3)(G) of this Part for information regarding the Manufacturing Machinery and Equipment Exemption on retreading machinery and equipment.)
 - 2) These principles apply to persons who repair or otherwise service every type of tangible personal property.
- b) Examples of Accessories

- 1) In the case of automobiles, the term "accessories" includes, but is not limited to, the sale of such items of tangible personal property as gasoline, motor oil, alcohol and other antifreeze solutions, ash trays, batteries, cigar or cigarette lighters, clocks, heaters, radios, seat covers, seat cushions, tires, inner tubes and the like. (But, see subsection (d)(1) regarding repairs to, and servicing of, automobiles.)
 - 2) In the case of furniture, slip covers are considered to be accessories, rather than repair parts or repair materials. For further information concerning slip covers, see Section 130.2140 of this Part.
- c) Persons Who Service or Repair Tangible Personal Property -- When Not Liable for Retailers' Occupation Tax
- 1) Persons who engage in the business of repairing tangible personal property belonging to others (including, but not limited to, automobile repairmen, farm implement repairmen, furniture upholsterers and repairmen, garment repairmen, machinery repairmen, radio repairmen, refrigerator repairmen, shoe repairmen, tire and tube repairmen, and watch, clock and jewelry repairmen) are engaged in a service occupation. To the extent to which they engage in such service occupation, they are not engaged in the business of selling tangible personal property to purchasers for use or consumption. Consequently, they are not required to remit Retailers' Occupation Tax measured by any of their receipts from engaging in such service occupation, including receipts from both labor and tangible personal property.
 - 2) In addition to persons who repair tangible personal property belonging to others, this exemption also applies to persons who perform upon tangible personal property, which belongs to their customers, such services as cleaning, dyeing, greasing, laundering, painting, polishing, waxing, welding and other services.
- d) Examples of Repair Work
- 1) The repairing of automobiles includes, but is not limited to, the replacement of parts, such as brake fluids, brake linings, carburetors, fan belts, fans, fenders, lights, gaskets, points, spark plugs, valves, windshield wipers and the like. This includes services such as changing oil and replacing antifreeze. (But, see subsection (b)(1) regarding the sale of automobile accessories.)
 - 2) The repairing of tires or inner tubes includes services such as patching or plugging. (But, see subsection (a)(1)(E) regarding retread tires.)
 - 3) The repairing of shoes includes, but is not limited to, the replacement of such parts as heels, soles and the like by repairmen as a part of the repair work.
 - 4) The repairing of watches and clocks includes, but is not limited to, the replacement of such parts as hands, springs and the like by repairmen as a part of the repair work.
 - 5) The repairing of jewelry includes, but is not limited to, the sizing of rings

and the soldering together of broken pieces of jewelry.

- 6) The repairing of radios includes, but is not limited to, the replacement of such parts as condensers, dials, radio tubes, volume controls and the like by repairmen as a part of the repair work.
 - 7) The repairing of refrigerators includes, but is not limited to, the replacement of such parts as electric motors, refrigerator doors and the like by repairmen as a part of the repair work.
 - 8) The repairing or upholstering of furniture includes, but is not limited to, the transfer of such items as glue, nails, paint, tacks, upholstering materials, varnish, wax and the like by furniture upholsterers and repairmen as a part of the repair work.
 - 9) The repairing of garments includes, but is not limited to, the transfer of such items as buttons, collars, cuffs, fabrics, fur pieces, linings, thread and the like by repairmen as a part of the repair work.
- e) Cross Reference to Service Occupation Tax Regulations

Personal property repairmen and other servicemen referred to in this Section, though not liable for Retailers' Occupation Tax on their repair receipts, are liable under the Service Occupation Tax Act when they transfer tangible personal property, incident to sales of service (see Subpart A of the Service Occupation Tax Regulations, 86 Ill. Adm. Code 140).

(Source: Amended at 24 Ill. Reg. 15104, effective October 2, 2000)